

**LFC Requester:****Connor Jorgenson****AGENCY BILL ANALYSIS  
2016 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:****[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)***and***[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)***{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}**Check all that apply:*Original ☒ Amendment ☐  
Correction ☐ Substitute ☐**Date** February 5, 2016**Bill No:** HB 325**Sponsor:** Rep. William "Bill" Rehm**Agency Code:** 305**Short** "Data Breach Notification Act"**Person Writing** Rebecca Branch**Title:** \_\_\_\_\_**Phone:** 505-222-9100 **Email** rbranch@nmag.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	FY17		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE****BILL SUMMARY**

This analysis is neither a formal Attorney General's Opinion nor an Attorney General's Advisory Letter. This is a staff analysis in response to an agency's, committee's, or legislator's request.

**Synopsis:**

HB 217 addresses data security breach involving personal identifying information. It requires secure storage and disposal of data containing personal identifying information. It mandates notification to consumer credit reporting agencies, the office of the Attorney General and card processors. It requires notification of the Attorney General's office within 30 days of discovery of the breach, but does allow for some exceptions as provided in Section 9. Finally, it provides for civil law enforcement actions by the Attorney General for Civil Penalties of \$5,000 or \$10 per instance of failed notification, whichever is greater.

**FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

**SIGNIFICANT ISSUES**

New Mexico is only one of three states that does not have a data breach law on the books. Should this law be passed it would allow for the Attorney General to pursue companies who don't take appropriate precautions when securing personal identifying information.

**PERFORMANCE IMPLICATIONS****ADMINISTRATIVE IMPLICATIONS****CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP****TECHNICAL ISSUES****OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL:** Status Quo

## **AMENDMENTS**